

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM:

Legislative Counsel

EXTENSION

NO.

DATE 6 September 1974

STAT

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Retirement Division
212 Magazine Bldg.

For your information. CSC comments on legislation to assist Federal retirees.

OMB endorsed the CSC position.

STAT

Assistant Legislative Counsel

cc: DDA, D/PERS

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DDA 7D18

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D/PERS 5E56

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Assistant Legislative Counsel

cc: Retirement Div. STAT

OFFICE OF MANAGEMENT AND BUDGET

Approved For Release 2005/03/29 : CIA-RDP77M00144R001100050001-7

ROUTE SLIP

TO Mr.
Office of Legislation
CIA 20505

- Take necessary action ☐
- Approval or signature ☐
- Comment ☐
- Prepare reply ☐
- Discuss with me ☐
- For your information ☐
- See remarks below ☐

FROM Ralph N. Malvik *R-N*

DATE 9/3/74

REMARKS

Re: H.R. 8927 and S. 1882 "To provide certain services for Government employees in order to assist them in preparing for retirement."

Attached per the request from your office are copies of the CSC reports on the subject bills. The OMB reports endorsed the CSC position, but made no substantive arguments.



CHAIRMAN

Approved For Release 2005/03/29 : CIA-RDP77M00144R001100050001-7

WASHINGTON, D.C. 20415

Re 74-1944
AUG 23 1973

Honorable Gale W. McGee
Chairman, Committee on Post Office
and Civil Service
United States Senate

Dear Mr. Chairman:

This is in response to your request for the Commission's views on S. 1882, a bill "To provide certain services for Government employees in order to assist them in preparing for retirement."

S. 1882 would:

1. Require agency heads to establish retirement planning programs for Federal employees who are eligible, or are approaching eligibility, for retirement.
2. Authorize the Civil Service Commission to establish regulatory standards for these programs.
3. Enable the Commission to request the assistance of the Secretary of Health, Education, and Welfare in developing and evaluating agency retirement planning programs.
4. Authorize Government agencies to cooperate with each other in order to accomplish the objectives of this legislation.
5. Require the Commission to provide training for any employee of an agency providing pre-retirement assistance. This could include training contracts with educational and other institutions.
6. Direct the Commission to make a study of existing and recommended practices, both within the Government and private sectors, relating to work-life and study programs, including phased retirement, trial retirement, new kinds of part-time work, and sabbaticals. Based on such study the Commission would, with the assistance of agencies, officers of the Government of the United States, and educational institutions, establish guidelines concerning such programs for the information and use of Federal agencies.

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Under the terms of the bill, an agency could apply to the Commission to be exempted from providing a pre-retirement assistance program. Upon determination by the Commission that it would not be practicable for the agency to establish such a program, the request will be granted and the Commission will then assume the responsibility for the program. In addition, the Commission would be required to review such an exemption at least once every six months. If the Commission determines that it would be practical for the agency to provide its own program, the exemption would be withdrawn and the agency would assume the responsibility.

The Commission has long been concerned about the role Government as employer should play in offering pre-retirement planning programs. In 1960, we issued to agencies a pamphlet entitled "Retirement Planning, A Growing Employee Relations Service." Based on a study of both industry and Government practice, it gave agencies information and suggestions to help them make more informed judgements about the retirement planning assistance they should offer their employees. Because of inconclusive and contradictory evidence of the value of retirement planning programs, however, the Commission did not direct agencies to conduct, or not to conduct, such programs.

The Cabinet Committee on Federal Staff Retirement Systems, in its 1965 study, found no basis for recommending broad-scale installation or expansion of retirement counseling programs that go beyond clear explanations of the rights, benefits, and obligations employees will have under their particular staff retirement plans.

A special research study was conducted in the summer of 1968 by the Bureau of Retirement, Insurance, and Occupational Health. This study of the reactions and attitudes of a large sample of recent retirees, and a separate sample of employees eligible for retirement, concerning the need for and effectiveness of pre-retirement planning programs clearly established that employees feel a need for such programs and consider them helpful. As a result the Commission's policy on such programs changed from one of neutrality to one of actively promoting, and encouraging pre-retirement planning services throughout the Federal Community.

We announced a new Retirement Planning Institute designed to equip agency retirement advisors to develop and conduct pre-retirement planning programs for employees. (For F.Y. 1974, one such Institute is scheduled for Washington, D.C. and fourteen more are scheduled to be conducted in the field.)

A few agencies are using commercially prepared materials, especially for employees in isolated areas, and some Federal employees have been participating in courses offered by unions, universities, and community based sponsors. Additional agencies are working on plans for programs to be offered in the future.

We have found that many agencies make work-assignment and time-schedule adjustments for their older employees (as well as for others who for various reasons need such adjustments), but formal programs of gradual retirement are not widespread, possibly because the more informal, individualized approach works quite well.

The existing retirement system offers an ideal method of gradual retirement for some persons. It permits an employee to retire, draw his annuity, and be reemployed by Government (though not at full salary) under any one of a variety of arrangements tailored to fit the mutual requirements of the agency and the individual. It also permits him to retire and, without affecting his annuity, accept private employment on a full-time, part-time, temporary or permanent basis. These provisions, singly or in combination, provide broad opportunities to work out gradual retirement plans on an individual basis as the need is actually felt.

The Commission continues to be active in assisting Federal agencies in establishing pre-retirement counseling programs through Retirement Planning Institutes and through discussions with individual counselors. Commission representatives participate in pre-retirement counseling programs as experts in the area of retirement, and of health, and life insurance benefits available upon retirement. For example, Commission representatives participated in programs in more than 35 different installations in the first six months of 1973.

S. 1882, if enacted, would direct the Commission to do what essentially is already being done on a basis which is completely adaptable to individual, agency, and local circumstances. We are, therefore, of the opinion that the objectives of this bill are already being met and that its enactment is unnecessary.

The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report.

By direction of the Commission:

Sincerely yours,

Chairman



CHAIRMAN

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WASHINGTON, D.C. 20415

Re 74-1944
AUG 23 1973

Honorable Thaddeus J. Dulski
Chairman, Committee on Post Office
and Civil Service
House of Representatives

Dear Mr. Chairman:

This is in response to your request for the Commission's views on H.R. 8927, a bill "To provide certain services for Government employees in order to assist them in preparing for retirement."

H.R. 8927 would:

1. Require agency heads to establish retirement planning programs for Federal employees who are eligible, or are approaching eligibility, for retirement.
2. Authorize the Civil Service Commission to establish regulatory standards for these programs.
3. Enable the Commission to request the assistance of the Secretary of Health, Education, and Welfare in developing and evaluating agency retirement planning programs.
4. Authorize Government agencies to cooperate with each other in order to accomplish the objectives of this legislation.
5. Require the Commission to provide training for any employee of an agency providing pre-retirement assistance. This could include training contracts with educational and other institutions.
6. Direct the Commission to make a study of existing and recommended practices, both within the Government and private sectors, relating to work-life and study programs, including phased retirement, trial retirement, new kinds of part-time work, and sabbaticals. Based on such study the Commission would, with the assistance of agencies, officers of the Government of the United States, and educational institutions, establish guidelines concerning such programs for the information and use of Federal agencies.

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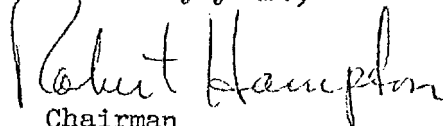
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H.R. 8927, if enacted, would direct the Commission to do what essentially is already being done on a basis which is completely adaptable to individual, agency, and local circumstances. We are, therefore, of the opinion that the objectives of this bill are already being met and that its enactment is unnecessary.

The Office of Management and Budget advises that from the standpoint of the Administration's program there is no objection to the submission of this report.

By direction of the Commission:

Sincerely yours,


Chairman